SESSION 1999

HOUSE BILL 1565*

Short Title: Municipal Participation.

Sponsors: Representatives Cole; Bowie and Dockham.

Referred to: Transportation.

May 17, 2000

1	A BILL TO BE ENTITLED
2	AN ACT TO AUTHORIZE ADDITIONAL VOLUNTARY MUNICIPAL
3	PARTICIPATION IN ROAD CONSTRUCTION.
4	The General Assembly of North Carolina enacts:
5	Section 1. G.S. 136-66.3 reads as rewritten:
6	"§ 136-66.3. Municipal participation in improvements to the State highway system.
7	(a) Except as otherwise authorized by this Article, no municipality shall
8	participate in the cost of any State highway system improvement project approved by the
9	Board of Transportation under G.S. 143B-350(f)(4). No municipality shall be required to
10	contribute to the right-of-way and construction costs of any State highway system
11	improvement approved by the Board of Transportation under G.S. 143B-350(f)(4), nor
12	shall the Department of Transportation accept any participation, directly or indirectly,
13	from a municipality except as authorized by this Article.
14	(b) The restrictions imposed by this section on participation by municipalities in
15	the implementation of improvements on the State highway system shall not apply to
16	those improvements approved by the Board of Transportation which are financed by
17	funds allocated by the General Assembly for the "Small Urban Construction Program".
18	The municipalities When any one or more street construction or highway improvement
19	projects are proposed on the State highway system in and around a municipality, the
20	Department of Transportation and the municipal governing body shall reach agreement

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(Public)

1	on their respec	tive responsibilities for such project or projects. In reaching such
2	agreement, the	Department of Transportation and the municipality shall take into
3	consideration:	
4	<u>(1)</u>	The relative importance of the project to a coordinated statewide system
5		<u>of highways.</u>
6	(2)	The relative benefit of the project to the municipality.
7	<u>(3)</u>	The degree to which the cost of acquisition of rights-of-way can be
8		reduced or minimized through action by the municipality and/or the
9		Department of Transportation to acquire all or part of the rights-of-way
10		for any set of the set

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Department of Transportation to acquire all or part of the rights-of-way for proposed projects well in advance of construction of such projects. <u>Municipalities</u> may, but shall not be required to, participate in the rightof-way and construction cost of "Small Urban Construction Program" State highway system improvements.

14 (c) A municipality is authorized and empowered to acquire land by dedication and 15 acceptance, purchase, or eminent domain, and make improvements to portions of the State highway system lying within or outside the municipal corporate limits utilizing 16 17 local funds that have been authorized for that purpose by a vote of the citizens of the 18 municipality. The governing body of the municipality may call a special referendum at any time to allow this use of funds.-purpose. The total cost of the-improvements authorized by this 19 20 subsection shall be the responsibility of the municipality and shall not be participated in by 21 the Department of Transportation, nor shall the construction of improvements-be a consideration for any other project by the Department of Transportation. 22 A11 improvements to the State highway system shall be done in accordance with the 23 24 specifications and requirements of the Department of Transportation and shall be set forth 25 in an agreement entered into between the municipality and the Department. The Board of Transportation shall not give consideration to or credit for such locally financed 26 improvements in the Transportation Improvement Program under G.S. 143B-350(f)(4). 27

When in the review and approval by a municipality of plans for the 28 (d)29 development of property abutting the State highway system it is determined by the municipality that improvements to the State highway system are necessary to provide for 30 the safe and orderly movement of traffic, the municipality is authorized to construct, or 31 have constructed, said improvements to the State highway system in vicinity of the 32 development. For purposes of this section, improvements include but are not limited to 33 34 additional travel lanes, turn lanes, curb and gutter, and drainage facilities. All improvements to the State highway system shall be constructed in accordance with the 35 specifications and requirements of the Department of Transportation and be approved by 36 37 the Department of Transportation.

38 (e) A municipality may pursuant to an agreement with the Department of 39 Transportation reimburse the Department of Transportation for the cost of all 40 improvements, including additional-right-of-way, for a street or highway improvement 41 project approved by the Board of Transportation under G.S. 143B-350(f)(4) that are in 42 addition to those improvements that the Department of Transportation would normally include in 43 the project. G.S. 143B-350(f)(4). Funds expended by a municipality pursuant to an

agreement with the Department of Transportation shall not be considered in	<u>n calculating</u>	
distribution of construction funds under G.S. 136-17.2A.		
(f) Municipalities having a population of less than 10,000 according	g to the most	
recent annual estimates of population as certified to the Secretary of Revenue by the State		
Budget Officer shall not participate in the right-of-way and construction costs of any		
State highway system improvement project approved by the Board of Transportation		
under G.S. 143B-350(f)(4).		
Municipalities having a population of 10,000 or more according to the	-most-recent	
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Board of Transportation under G.S. 143B-350(f)(4) that is located within the municipal		
corporate limits:		
Municipal Maximum Participation		
Population	- In	
Right-of-Way Costs		
10,000 - 25,000	5%	
25,001 - 50,000	10%	
50,001 - 100,000	15%	
over 100,000	25%	
	 (f) Municipalities having a population of less than 10,000 according recent annual estimates of population as certified to the Secretary of Revenue Budget Officer shall not participate in the right-of-way and construction State highway system improvement project approved by the Board of Trunder G.S. 143B-350(f)(4). Municipalities having a population of 10,000 or more according to the annual estimates of population as certified to the Secretary of Revenue Budget Officer may, but shall not be required by the Department of Transportation, participate up to a maximum percentage as shown below is rights-of-way of the portion of any transportation improvement project app Board of Transportation under G.S. 143B-350(f)(4) that is located within the corporate limits: MunicipalMaximum Participation Population Right-of-Way Costs 10,000 – 25,000 25,001 – 50,000 50,001 – 100,000 	

25 Any participation shall be set forth in an agreement between the municipality and the Department of Transportation. Upon request of the municipality, the Department of 26 Transportation shall allow the municipality a period of not less than three years from the 27 date construction of the project is initiated to reimburse the Department their agreed upon 28 29 share of the costs of rights of way necessary for the project. The Department of 30 Transportation shall not charge a municipality any interest on its agreed upon share of rights-of-way costs. during the initial three years. The Secretary Department shall report in 31 32 writing, on a monthly basis, to the Joint Legislative Commission on Governmental 33 Operations on all agreements entered into between municipalities and the Department of 34 Transportation. The report shall state in summary form the contents of such agreements.

35 In the acquisition of rights-of-way for any State highway system street or (g) 36 highway in or around a municipality, the municipality shall be vested with the same authority to acquire such rights-of-way as is granted to the Department of Transportation 37 38 in this Chapter. In the acquisition of such rights-of-way, municipalities may use the 39 procedures provided in Article 9 of this Chapter, and wherever the words "Department of Transportation" appear in Article 9 they shall be deemed to include "municipality" or 40 "municipal governing body," and wherever the words "Administrator," "Administrator of 41 42 Highways,""Administrator of the Department of Transportation,"or "Chairman of the Department of Transportation" appear in Article 9 they shall be deemed to include 43

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"municipal clerk". It is the intention of this subsection that the powers herein granted to 1 2 municipalities for the purpose of acquiring rights-of-way shall be in addition to and 3 supplementary to those powers granted in any local act or in any other general statute, 4 and in any case in which the provisions of this subsection or Article 9 of this Chapter are 5 in conflict with the provisions of any local act or any other provision of any general 6 statute, then the governing body of the municipality may in its discretion proceed in 7 accordance with the provisions of such local act or other general statute, or, as an 8 alternative method of procedure, in accordance with the provisions of this subsection and 9 Article 9 of this Chapter.

10 (h) In the absence of an agreement, the Department of Transportation shall retain 11 authority to pay the full cost of acquiring rights-of-way where the proposed project is 12 deemed important to a coordinated State highway system.

(i) Either the municipality or the Department of Transportation may at any time propose changes in the agreement setting forth their respective responsibilities for rightof way acquisition-by giving notice to the other party, but no change shall be effective until it is adopted by both the municipal governing body and the Department of Transportation.

18 (j) Any municipality that agrees to contribute any part of the cost of acquiring 19 rights-of-way for any State highway system street or highway shall be a proper party in 20 any proceeding in court relating to the acquisition of such rights-of-way."

Section 2. This act becomes effective July 1, 2000.

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